

REMARKS

Prior to entry of this Amendment, the application included claims 1-25. Claims 1, 16, and 21 have been amended. No claims have been canceled or added. Hence, after entry of this Amendment, claims 1-25 stand pending for examination.

Claims 1-25 stand rejected under 35 U.S.C. §103(a) as being unpatentable over the cited portions of McDonald et al., U.S. Patent No. 6,648,222 ("McDonald"), in view of the cited portions of Slater, U.S. Patent No. 6,615,190 ("Slater"), and in further view of the cited portions of FoodReview's All Food Stamp Benefits to be Issued Electronically ("FoodReview").

Amendments

Claims 1, 16, and 21 have been amended. No new matter has been added to the application via the amendments. Support for the amendments may be found throughout the application. For example, support for the amendments may be found in the application at p. 8, l. 29 - p. 9, l. 15 and p. 9, l. 33 - p. 10, l. 15.

Rejections Under 35 U.S.C. §103(a):

As a preliminary matter, McDonald does not qualify as prior art. McDonald was filed on September 27, 2002, whereas the instant Application was filed on March 1, 2000. The Applicant acknowledges that McDonald is a continuation-in-part of application 09/580,940. However, this parent application was filed on May 30, 2000, and therefore also does not qualify as prior art. Finally, McDonald is related to provisional application 60/137,784 (hereinafter "McDonald Provisional"). The filing of the McDonald Provisional does predate the filing date of the instant Application and is eligible to serve as a reference. Therefore, any citation made by the Office Action should be made to a corresponding portion of the McDonald Provisional, if such a corresponding portion exists.

As amended, independent claims 1, 16, and 21 are not taught, suggested, or otherwise proved obvious by the McDonald Provisional, Slater, and FoodReview, considered alone or in combination. Factual findings made by the Office are the "necessary underpinnings

to establish obviousness." *MPEP* § 2141(II). The Office must set forth "the relevant teachings of the prior art relied upon." *MPEP* § 706.02(j). Additionally, in *KSR v. Teleflex* (550 U.S. 398 (2006)), the Supreme Court noted that the analysis supporting a rejection under 35 U.S.C. § 103 must be made explicit. *See MPEP* § 2142. As will be discussed below, Applicant respectfully submits that, as amended, *prima facie* cases of obviousness of claims 1-25 are not present.

Claim 1 has been amended to recite:

receive an amount of value from the patron and transfer at least a portion of the amount of value to the benefits storage device;

select a first amount of benefits monetary value to be transferred from the benefits storage device to the at least one smart card;

select a first benefit type from the plurality of benefit types available for operation on the at least one smart card; and

assign the first amount of benefits monetary value to the first benefit type on the at least one smart card;

select a second amount of benefits monetary value to be transferred from the benefits storage device to the at least one smart card;

select a second benefit type from the plurality of benefit types available for operation on the at least one smart card; and

assign the second amount of benefits monetary value to the second benefit type on the at least one smart card; Such amendments are not taught, suggested, or otherwise proved obvious by the cited references. . . .

The McDonald Provisional discloses a card-based system that electronically transfers funds in real time. In the McDonald Provisional, a customer card stores digital data representing a unique customer account number associated with a unique, remotely located customer account having at least one vendor-associated subaccount. While subaccounts are disclosed, these subaccounts are remotely located from the customer card.

In order to cure this deficiency of McDonald, the Office Action introduces the FoodReview reference. FoodReview discloses "an off-line or 'smart card' system [where] information about the recipient's account resides on a microchip embedded in the electronic benefit card rather than in a central computer. The store terminal and benefit card interact to authorize the purchase without contacting a central computer, thereby eliminating the need for on-line authorization at the time of purchase." *FoodReview*, p. 1.

While FoodReview may allow for account information to reside on the customer's smartcard rather than a central computer, FoodReview, in combination with Slater and the McDonald Provisional do not contemplate several of the limitations in the instant invention, as claimed.

First, the McDonald Provisional, in combination with FoodReview and Slater, does not disclose the possibility of amounts of value being separately maintained for different benefits on a smart card at the same time. FoodReview only contemplates value for the use of electronic food stamps being present on the smart card. *See, e.g., FoodReview*, p. 2. While the McDonald Provisional does disclose multiple subaccounts associated with different vendors, these subaccounts are stored remote from the customer card. Neither reference contemplates the storage of separate amounts of value for different benefits at the smart card, as presented in claim 1.

Second, the McDonald Provisional, in combination with FoodReview and Slater, does not disclose the use of both value storage remote from the smart card and value storage at the smart card. In the invention, as presented in claim 1, the patron has stored value at smart card and at the benefits storage device, located at the central computer. Neither reference, alone or in combination, contemplates the integration of remote and local benefit storage. Rather, each reference relies solely on either remote or local benefit storage. Having both forms of storage creates several advantages; for example, a user may deposit value at a vending machine, but not select a particular benefit to assign the value to. This may allow the value to be stored at the benefit storage device until a later time when the user selects a particular benefit, at which time it will be loaded onto the smart card. Such a system may allow a user to store value, while not having all of the value being present on the smart card at a given time.

Third, the McDonald Provisional, in combination with FoodReview and Slater, does not disclose allowing a user to deposit his own value onto the smart card for use. FoodReview, which discusses electronic food stamps on a smart card (*See, generally, FoodReview*), only allows for additional benefits to be added to the smart card via authorized benefit deposits. While the McDonald provisional allows for a user to deposit his own value,

this value is stored remote from the customer's card. Further, Slater explicitly *teaches away* from allowing the customer to deposit his own funds: "The stored value card is issued to a cardholder, who can withdraw funds from the account, but cannot deposit additional funds in the account." Slater, Abstract, emphasis added. Only the instant invention, as presented in claim 1, allows for a user to increase the value stored on his smart card through deposit of his own value.

Fourth, the McDonald Provisional, in combination with FoodReview and Slater, does not disclose having both value unassociated with benefits and other value associated with particular benefits. Claim 1 discloses having value stored on the smart card associated with particular benefits while having value unassociated with a particular benefit stored at the benefits storage device. In McDonald, while subaccounts are present, the value is associated with vendor-specific subaccounts. In FoodReview, the value stored on the smart card only functions as food stamps. However, claim 1 allows for value to be maintained unassociated with a particular vendor, use, or benefit, and, additionally, allows for value to be associated with specific benefits.

For at least these reasons, amended claim 1 is not taught or suggested by the cited references. Therefore, a *prima facie* case of obviousness is not present. Accordingly, Applicant respectfully requests withdrawal of the §103 rejection of claim 1. Further, claims 2-15 depend, either directly or indirectly, from claim 1. At least by virtue of their dependence on claim 1, withdrawal of the §103 rejections of these claims is also respectfully requested.

Claim 16 has been amended to recite:

receiving, at another or the same vending machine, monetary value from the patron unassociated with a particular benefit type; and

storing, at the central computer system at least a portion of the monetary value unassociated with a particular benefit type for the patron in the benefits data base in response to the received monetary value.

Claim 21 has been amended to recite: "maintain a benefits data base including a monetary benefit value for the patron, wherein monetary benefit value in the benefits data base remains unassociated with a particular benefit type" Claims 16 and 21 are believed allowable over the cited references for at least the second, third and fourth reasons discussed in reference to claim 1. Further, claims 17-20 and 22-25 depend, either directly or indirectly, from claims 16

and 21. At least by virtue of their dependence on claims 16 and 21, these claims are likewise not obvious over the cited references. Accordingly, Applicant respectfully requests withdrawal of the §103 rejections of claims 16-25.

CONCLUSION

In view of the foregoing, Applicant believes all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 303-571-4000.

Respectfully submitted,


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